## AMENDED IN SENATE JULY 12, 1999 AMENDED IN ASSEMBLY APRIL 19, 1999 AMENDED IN ASSEMBLY APRIL 7, 1999

CALIFORNIA LEGISLATURE-1999-2000 REGULAR SESSION

## **ASSEMBLY BILL**

No. 811

## **Introduced by Assembly Member Keeley**

February 24, 1999

An act to add Section 367.5 to the Public Utilities Code, relating to public utilities.

## LEGISLATIVE COUNSEL'S DIGEST

AB 811, as amended, Keeley. Electrical restructuring.

The Public Utilities Act requires the Public Utilities Commission to recover uneconomic costs associated with electrical deregulation, including transition costs, as defined, to be allocated as prescribed. The act requires that individual customers not experience rate increases as a result of the allocation of transition costs.

This bill would require the commission to implement a methodology whereby the Power Exchange energy credit for a customer with a meter, installed on or after January 1, 2000, that is capable of recording hourly data is be calculated based on the actual hourly data for that customer. The For customers with meters, as prescribed, installed before January 1, 2000, the bill would require the energy credit, on a one-time basis before January 30, 2000, to be the sum of the products of the Power Exchange energy costs authorized by the

AB 811 — 2 —

commission and the actual hourly recorded usage of the customer for each hour in the billing period. based on either the actual hourly data for the customer or the average load profile for that customer class, as prescribed. This bill would require recovery of any costs of developing the methodology of energy credit payment to be recoverable through rates for that customer class. The bill would provide that the methodology shall not result in any shifts in cost between customer classes and shall be consistent with a specified provision of existing law.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 367.5 is added to the Public 2 Utilities Code, to read:
- 3 367.5. (a) It is the intent of the Legislature in 4 enacting this section to ensure that individual customers 5 do not experience rate increases as a result of the 6 allocation of transition costs, in accordance with 7 paragraph (2) of subdivision (e) of Section 367.
- 8 (b) The commission shall implement a methodology 9 whereby the Power Exchange energy credit for a 10 customer with a meter *installed on or after January 1*, 11 2000, that is capable of recording hourly data is calculated 12 based on the actual hourly data for that customer. The 13 Power Exchange energy credit—shall be equal to the sum of the products of (1) the Power Exchange energy costs 15 authorized by the commission, and (2) the actual hourly 16 recorded usage of the customer for each hour in the 17 billing period.
- 18 (c)—for a customer with a meter installed before 19 January 1, 2000, that is capable of recording hourly data 20 shall, at the election of the customer, on a one-time basis 21 before January 30, 2000, be calculated based on either (1) 22 the actual hourly data for that customer or (2) the 23 average load profile for that customer class. If the 24 customer fails to make an election, that customer's Power

-3-**AB 811** 

Exchange credit shall continue to be based on the average load profile for that customer class.

3 (c) Additional billing costs incurred as a result of the 4 methodology developed by the commission pursuant to subdivision (b) shall be recoverable through rates for that customer class.

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(d) The methodology developed by the commission pursuant to subdivision (b) shall not result in any shifts in 9 cost between customer classes and shall be consistent 10 with the firewall provision set forth in subdivision (e) of 11 Section 367.